

ROBUST Q3FY23 REVENUE GROWTH OF 210% YOY SUPPORTED BY EFFICIENT EXECUTION OF ORDERS AND HEALTHY ORDER BOOK ACROSS ALL SEGMENTS

Demonstrated Asset light model by monetizing completed road assets

Mumbai, January 31, 2023: Welspun Enterprises Ltd. ("WEL" or "Company"), part of the Welspun Group, today announced its results for the quarter and nine months ended 31 December 2022.

KEY Q3FY23 HIGHLIGHTS

- **Closure of Actis Deal and receipt of substantial money by the Company**
 - Obtained regulatory and statutory approvals from NHAI, PWD, and lenders for divestment of 100% stake in HAM assets and 49% stake in BOT toll assets
 - Equity Value of Rs. 23,090 Mn* (19% Equity IRR on exiting portfolio) – Already received Rs. 20,400 Mn and balance on 51% stake sale approval of BOT asset, after obtaining necessary regulatory and statutory approvals.
- Robust diversified order book of ~Rs 108 Bn as on 31st December 2022 including Rs 18 Bn for O&M and asset replacement in MCGM STP project. The order book is split as under:
 - Water & Wastewater management segment constitutes 57%
 - Road projects constitutes 43%
- Net Cash of the Company as on 31st December stands at Rs. 15,823 mn on Standalone basis and Rs. 13,140 mn on Consolidated basis

MANAGEMENT COMMENTS

Speaking about the performance, Mr. Sandeep Garg, Managing Director, Welspun Enterprises Limited, said, *"Our company reported strong results across all business parameters in Q3FY23, owing to the continued healthy pace of execution.*

We are happy to announce that as indicated earlier we have received ~90% of the consideration from Actis after obtaining all the Statutory and Regulatory approvals. At a portfolio level, this transaction has resulted into an Equity IRR of 19%, thus completing the entire value chain of winning, constructing, stabilizing, and monetizing of road assets.

Also in line with our distribution policy, the Board of Directors declared a special dividend of Rs. 7.50 (75%) per equity share and buyback of shares aggregating to Rs. 235 Crore."

Outlook

The Indian economy has remained resilient, owing to relatively strong fundamentals, healthy banking system, robust tax collection and gradually easing inflation. The Government of India's emphasis on strengthening infrastructure and improving access to water aligns well with our business model for both road and water/wastewater treatment projects. Accordingly, the industry is witnessing an improvement in tendering and awarding activity in both Road as well as into Water and Wastewater Management it gives a long-term visibility of growth for the industry. We believe that moderation of commodity prices, improvement in

operating efficiency and value-added contract basket shall continue to be the focal points for the infrastructure industry.

STANDALONE FINANCIALS

Income Statement Snapshot (Rs Million)

Particulars	Q3FY23	Q3FY22	YoY %	9MFY23	9MFY22	YoY %
Revenue from Operations	6,684	2,155	210%	18,524	8,397	121%
Other Income	118	95	24%	390	274	42%
Total Income	6,802	2,251	202%	18,914	8,671	118%
EBITDA	774	223	247%	1,844	974	89%
EBITDA margin	11.4%	9.9%	147 bps	9.8%	11.2%	(149) Bps
PBT Before Exceptional Item	551	58	843%	1,245	485	157%
Exceptional Item	4,678	-	-	4,731	-	-
PBT	5,229	58	8,853%	5,976	485	1,131%
PAT	5,109	63	8,010%	5,755	405	1,320%
PAT margin	75.1%	2.8%	7,232 bps	30.4%	4.7%	2,575 bps
Cash PAT	455	100	355%	1,063	518	105%

Note: Cash PAT = PBDT- Current tax + Non-cash ESOP expenses | Prior figures have been restated wherever necessary.

CONSOLIDATED FINANCIALS

Income Statement Snapshot (Rs Million)

Particulars	Q3FY23	Q3FY22	YoY %	9MFY23	9MFY22	YoY %
Total Income	7,168	2,375	202%	19,852	9,053	119%
EBITDA	929	276	237%	2,249	1136	98%
EBITDA margin	13.0%	11.6%	135 bps	11.3%	12.6%	(122) bps
PBT Before Exceptional Item	587	27	2,110%	1,322	399	231%
Exceptional Item	3,569	-	-	4,236	-	-
PBT	4,156	27	15,534%	5,558	399	1,292%
Profit from discontinuing operations*	-	108	-	558	315	77%
PAT	4,016	129	3,003%	5,837	611	855%
Cash PAT	494	184	168%	2,333	772	202%

Note: Cash PAT = PBDT- Current tax + Non-cash ESOP expenses | Prior figures have been restated wherever necessary

* - Refers to projects which are being monetized

INVESTMENTS (AS ON 31ST DECEMBER 2022; RS MILLION)

Project	Investment	Additional funding for current portfolio
HAM Road Portfolio	2,294	~Rs. 3,750 Mn in about 18 months
Road BOT Projects	1,040	
Oil & Gas Projects	4,194	
Water BOT Projects	914	
Other assets	610	
Total	9,052	

ABOUT WELSPUN ENTERPRISES LTD.

Welspun Enterprises Ltd. (WEL), part of the Welspun Group, is an infrastructure development company focusing on Road, Water and Wastewater segments. The Company also has investments in Oil & Gas Exploration. Backed by experienced management and strong parentage, WEL has a proven track record with the execution of water supply projects and over 1,000 kms of road projects.

ABOUT WELSPUN GROUP

Welspun Group is one of India's fastest growing global conglomerates, with businesses in Line Pipes, Home Textiles, Infrastructure, Steel, Advanced Textiles and Flooring solutions. With the presence of over three decades, Welspun has been recognized as a global leader in Home Textiles and Line Pipes, with existence in over 50 countries backed by a strong team of 26,000+ employees. The Group enjoys a strong relationship with almost all Fortune 100 companies operating in the Retail and O&G sectors and has been continuously following global ESG practices as a responsible conglomerate.

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